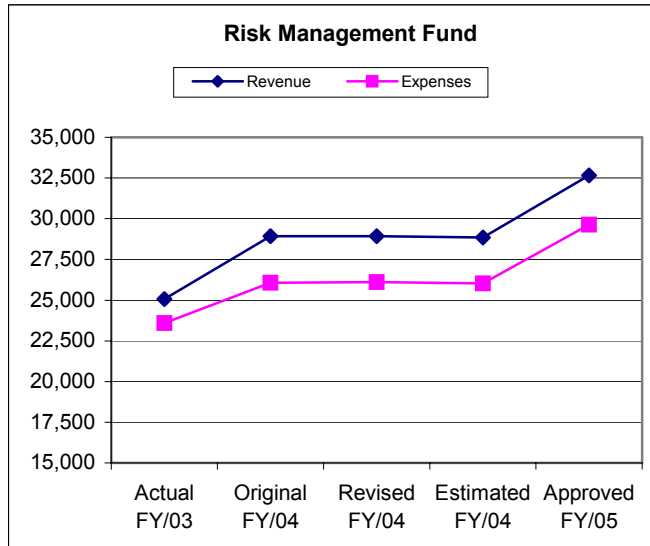


## RISK MANAGEMENT FUND – 705

The Risk Management Fund is managed by the Risk Management Division of the Finance and Administrative Services Department except for the Unemployment Compensation and Employee Equity Programs that are managed by the Human Resources Department. This internal service fund captures revenue and expense for administering claims and risk management programs and promoting health and safety awareness for the City. Fund 705 is part of the Governmental Excellence and Effectiveness Goal to provide high quality and efficient service to the public and other city agencies. The program strategies address employee equity, health services, safety, substance abuse programs, tort and other claims management, workers' compensation and unemployment compensation.



- Risk Management Fund revenues are derived from a cost of risk allocation assessed to each city department. The annual risk allocation process takes into consideration department loss experience as well as exposure to loss.
- The cost of risk continues to rise. The FY/05 appropriation for anticipated Workers' Compensation claims increased by \$3.5 million. This increase is also reflected in the estimated revenue to be recovered from city departments for the cost of risk.
- The City established a five-year recovery plan in FY/03 to eliminate the \$11.6 million deficit in the fund. City departments will contribute \$2.3 million per year through FY/07.

### RISK MANAGEMENT FUND – 705 RESOURCES, APPROPRIATIONS, AND WORKING CAPITAL BALANCE

(\$000's)	ACTUAL FY/03	ORIGINAL BUDGET FY/04	REVISED BUDGET FY/04	ESTIMATED ACTUAL FY/04	APPROVED BUDGET FY/05	APPR 05/ EST ACT 04 CHG
<b>RESOURCES:</b>						
Miscellaneous Revenues	552	622	622	533	500	(33)
Internal Service Revenues	24,509	28,300	28,310	28,310	32,159	3,849
<b>Total Current Resources</b>	<b>25,061</b>	<b>28,922</b>	<b>28,932</b>	<b>28,843</b>	<b>32,659</b>	<b>3,816</b>
Beginning Working Capital Balance	10,062	14,936	14,936	14,936	17,850	2,914
<b>TOTAL RESOURCES</b>	<b>35,123</b>	<b>43,858</b>	<b>43,868</b>	<b>43,779</b>	<b>50,509</b>	<b>6,730</b>
<b>APPROPRIATIONS:</b>						
Internal Service Operations	22,730	25,149	25,201	25,111	28,769	3,658
Transfer to General Fund - 110	862	918	918	918	872	(46)
<b>TOTAL APPROPRIATIONS</b>	<b>23,592</b>	<b>26,067</b>	<b>26,119</b>	<b>26,029</b>	<b>29,641</b>	<b>3,612</b>
<b>ADJUSTMENTS TO WORKING CAPITAL</b>	<b>3,405</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>0</b>	<b>(100)</b>
<b>ENDING WORKING CAPITAL BALANCE</b>	<b>14,936</b>	<b>17,891</b>	<b>17,849</b>	<b>17,850</b>	<b>20,868</b>	<b>3,018</b>